

EXHIBIT 370

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1 But the simple question I asked you was:
 2 Do you ever recall being educated on what
 3 Walgreens' responsibilities as a distributor were?
 4 Yes or no.

5 MR. SWANSON: Asked and answered.

6 BY THE WITNESS:

7 A. I relied on other people to make sure
 8 that they knew that the -- Walgreens was following
 9 the policies and procedures.

10 BY MR. MOUGEY:

11 Q. So, the answer to my question is no,
 12 correct? You can't recall ever being educated on
 13 what Walgreens' responsibilities as a distributor
 14 were, correct?

15 MR. SWANSON: Object to form, mischaracterizes
 16 her testimony.

17 BY THE WITNESS:

18 A. If that's how you want to interpret what
 19 I'm saying.

20 BY MR. MOUGEY:

21 Q. You have said repeatedly that you relied
 22 on other people, and I don't know if by relying on
 23 other people that you just reviewed the reports and
 24 someone else implemented. What I'm asking you is a

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1 from the beginning, just cut it off at 2015, you
 2 don't believe that the work you performed was to
 3 ensure that Walgreens was filling its role as a
 4 distributor, correct?

5 A. My role at various times, I was asked to
 6 look at reports, look at item movement and
 7 determine if the logic was sound. How that was
 8 being interpreted in regards to various
 9 regulations, I honestly didn't know how that fit
 10 in.

11 Q. And you can't recall ever being educated
 12 on what Walgreens' responsibilities as a
 13 distributor were?

14 A. I'm sure I've heard different bits and
 15 pieces of things over the courses of years, but
 16 it's hard to pinpoint exactly when I would have
 17 learned what types of information. And, again, my
 18 role wasn't involved with determining what the
 19 rules were. I was asked to determine if logic was
 20 sound.

21 Q. My question was a little different. You
 22 said, "I've heard bits and pieces over the years.
 23 It's hard to pinpoint exactly when I learned
 24 specific types of information."

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1 simple question, and I'm going to ask it for about
 2 the fourth or fifth time.

3 Do you recall ever being educated about
 4 what Walgreens' responsibilities were as a
 5 distributor?

6 MR. SWANSON: Asked and answered.

7 BY MR. MOUGEY:

8 Q. Yes or no.

9 MR. SWANSON: Asked and answered.

10 BY THE WITNESS:

11 A. Again, I was relying on other people to
 12 determine what the regulations were.

13 BY MR. MOUGEY:

14 Q. So, the answer is --

15 A. Our legal.

16 Q. -- no, you've never been educated --

17 MR. MOUGEY: I am sick and tired of the head
 18 shaking on the yes and no from you two. I do not
 19 want yeses, nos, in answers.

20 I will tell you what. We are going to
 21 take a break. Do we have an extra camera? Do we
 22 have another camera? Get the camera off of me and
 23 let's put it on Walgreens counsel with the yeses
 24 and nos and the head shaking repeatedly in the

<p style="text-align: right;">Page 62</p> <p>1 peripheral sight of the witness. This has been 2 going on for two months with Kate over there 3 shaking her head yes and no. 4 MR. SWANSON: You are not putting a camera on 5 me. So, you can turn it off or keep it on you. 6 MR. MOUGEY: I do not want -- 7 MR. SWANSON: Stop the speech. Ask questions. 8 MR. MOUGEY: -- any more gestures. 9 There is no speech. I do not want any 10 more yes or no head shaking. It's the most 11 unprofessional. And your office has done this 12 repeatedly over and over again for two months. 13 MR. SWANSON: Are you done? 14 MR. MOUGEY: Are you done? Are we done with 15 the head shaking? The witness is right there. 16 MR. SWANSON: Do you need a breather? 17 MR. MOUGEY: The witness -- I don't need a 18 breather. I need you to stop head shaking. 19 MR. SWANSON: Then calm down. 20 MR. MOUGEY: Don't tell me to calm down. 21 MR. SWANSON: And ask questions. 22 MR. MOUGEY: I am sick and tired of Kate 23 sitting there shaking her head in the direct 24 peripheral sight of the witness for answers.</p>	<p style="text-align: right;">Page 64</p> <p>1 MR. SWANSON: Asked and answered. 2 BY THE WITNESS: 3 A. Again, as far as regulations, I relied 4 on our legal department to provide that guidance. 5 BY MR. MOUGEY: 6 Q. Did you -- did you -- were you trained 7 in any shape, form or fashion on Walgreens' 8 responsibilities as a distributor? 9 A. Again, Walgreens' responsibilities, I 10 left that up to other people to determine. 11 Q. So, you didn't receive any training from 12 anyone else about what Walgreens' responsibilities 13 and duties were as a distributor? 14 MR. SWANSON: Objection. 15 BY THE WITNESS: 16 A. It wasn't my area of responsibility to 17 determine how to interpret rules and regulations. 18 BY MR. MOUGEY: 19 Q. I understand that your -- you think it's 20 someone else. But all I'm simply asking is: Did 21 you get any training about what Walgreens' 22 responsibilities were as a distributor? It's a 23 simple yes or no answer. 24 And if it's no, it's okay. Just say no.</p>
<p style="text-align: right;">Page 63</p> <p>1 THE WITNESS: I am not even looking at Kate. 2 MR. SWANSON: Nobody needs your speech, Peter. 3 Go ahead. 4 MR. MOUGEY: I don't need the head shaking. 5 Are you done with the head shaking? 6 MR. SWANSON: I'm not going to respond. 7 MR. MOUGEY: Are you done with the head 8 shaking? 9 MR. SWANSON: Do you want to go off the record 10 and take a break or not? 11 MR. MOUGEY: No, I don't need a break. 12 MR. SWANSON: Then ask a question. 13 MR. MOUGEY: Are you done with the head 14 shaking? Yes or no. Are we done? 15 MR. SWANSON: Ask a question. 16 MR. MOUGEY: I will take that as a yes, we're 17 done. And every time I get a head shake, I'm going 18 to announce it on the record. 19 MR. SWANSON: That's great. 20 MR. MOUGEY: That is great. 21 BY MR. MOUGEY: 22 Q. Do you recall ever being educated on 23 Walgreens' responsibility as a distributor during 24 your tenure at Walgreens?</p>	<p style="text-align: right;">Page 65</p> <p>1 If you didn't get any training about Walgreens' 2 responsibilities as a distributor, no is fine. 3 A. I relied on other people to interpret 4 the regulations. So, if you want to interpret that 5 as a no, please do so. 6 Q. I'm not trying to interpret. I want you 7 to tell me generally do you ever recall being 8 trained on Walgreens' responsibility as a 9 distributor? 10 A. And, again, my answer is it's not my 11 responsibility to interpret regulations. 12 Q. So, I didn't use the word "regulations" 13 in my question. Okay. I have taken out "code." 14 I've taken out "regulations." And I've used the 15 word "responsibilities." You understand the 16 difference, correct? 17 A. In this context, I'm not sure I do. 18 Q. Okay. I'm not using the word 19 "regulation." I'm not using the word "code." You 20 understand that, right? 21 A. You didn't use those words, yes, I 22 understand that. 23 Q. And when I use the word "training," 24 at Walgreens, training was often done through</p>

<p style="text-align: right;">Page 66</p> <p>1 PowerPoints or memos, things along those lines. 2 You understand that, right? 3 A. More toward to the stores. I don't 4 remember being trained as a corporate employee 5 using PowerPoint presentations. 6 Q. So, you went to conferences and attended 7 conferences, correct? 8 A. I was reminded that I attended one 9 conference. 10 Q. So, did you attend conferences or 11 meetings or continuing education or anything 12 explaining what Walgreens' responsibilities were as 13 a distributor? 14 A. I remember at some point. I don't 15 remember the date. It was brought up in 16 discussions that I attended one seminar. It wasn't 17 direct to Walgreens' roles and responsibilities. 18 It was some company's presentation, and they were 19 trying to sell their order patterns. 20 Q. That's the only time you remember any 21 continuing education, seminar, explanation, about 22 what Walgreens' responsibilities as a distributor 23 were, correct? 24 A. That wasn't a continuing education</p>	<p style="text-align: right;">Page 68</p> <p>1 A. I was trusting -- 2 MR. SWANSON: Object to form. 3 BY THE WITNESS: 4 A. -- our legal department to interpret the 5 responsibilities. 6 BY MR. MOUGEY: 7 Q. I understand. That's not the question 8 about who you were relying on. I asked did Barbara 9 Martin have an understanding of what Walgreens' 10 responsibilities were as a distributor? Did you 11 specifically, Barbara Martin, or were you relying 12 solely on other departments to fill that role? 13 A. I was relying on other departments to 14 fill that role, and as I've said over the course of 15 my years of experience, I've learned things. It's 16 hard to say what I learned when and when I learned 17 it. So, if I learned something in '09, I can't 18 recall if I learned it in '09, 2012 or two weeks 19 ago. 20 Q. I didn't ask what year. I didn't ask 21 what month. I didn't ask two weeks ago. What I've 22 asked is: Does Barbara Martin have an 23 understanding of what Walgreens' responsibilities 24 generally as a distributor are?</p>
<p style="text-align: right;">Page 67</p> <p>1 seminar. I wish it would have been. I would have 2 at least gotten some credit. 3 Q. Right. But what I asked was: The only 4 time you remember any educational piece about what 5 Walgreens' duties or responsibilities were as a 6 distributor was a third-party conference that was 7 trying to sell a product? Yes? 8 A. Again, I wasn't there to interpret 9 Walgreens' regulations or responsibilities. I went 10 more interested in to see what this company's logic 11 was doing and how to compare it to ours. 12 Q. And I appreciate that that you weren't 13 there to interpret. I know you're not a lawyer. 14 We have gone through your resume. I didn't ask if 15 you were there to interpret. 16 What I've asked was: Other than the one 17 seminar given by a third party, was there any 18 instance generally where you were educated on 19 Walgreens' responsibilities as a distributor? 20 A. I relied on other people to interpret 21 Walgreens' responsibilities. 22 Q. So, you did not specifically have an 23 understanding of what Walgreens' responsibilities 24 were as a distributor, correct?</p>	<p style="text-align: right;">Page 69</p> <p>1 MR. SWANSON: Object to form, asked and 2 answered. 3 BY THE WITNESS: 4 A. And I've relied on other people to 5 interpret what those responsibilities were. I 6 could -- once they would tell us what the 7 responsibilities were, I could then interpret that 8 into my job as to how to look at reports or 9 something like that if that was needed. 10 BY MR. MOUGEY: 11 Q. And where did you -- who told you what 12 Walgreens' responsibilities were as a distributor? 13 A. We would have been relying on our legal 14 department, Dwayne Piñon and his team, to review 15 guidance. 16 MR. MOUGEY: Let's take a break. 17 THE VIDEOGRAPHER: We are going off the record 18 at 10:15. 19 (WHEREUPON, a recess was had 20 from 10:15 to 10:31 a.m.) 21 THE VIDEOGRAPHER: We are back on the record 22 at 10:31. 23 BY MR. MOUGEY: 24 Q. Ms. Martin, we are in '09, 2010 where</p>

<p style="text-align: right;">Page 70</p> <p>1 you are reviewing reports generated by Wayne 2 Bancroft's algorithm. 3 In a general description, can you tell 4 me what other areas of responsibility you had with 5 Walgreens suspicious order monitoring? 6 A. At that time all I was really doing was 7 looking at these reports in regards to order 8 monitoring. I had a lot of other roles and 9 responsibility in inventory. 10 Q. How many hours a week on average in '09 11 were you looking at these reports? 12 A. One to three maybe. 13 Q. And do you have an understanding of how 14 many hours a week in '09 Marcie was looking at 15 these reports? 16 A. I do not. 17 Q. How many reports would you look at 18 during the one to three hours a week? 19 A. It's difficult to quantify that. It 20 would depend on how easy they were to look at. The 21 one that we looked at, it's simple. 3 is smaller 22 than 5. 23 Q. Right. 24 A. There were others that I might have had</p>	<p style="text-align: right;">Page 72</p> <p>1 reports were being flagged on a weekly basis in 2 2009? 3 A. I don't remember. 4 Q. Thousands? 5 A. I wouldn't even want to take a guess. 6 Sorry. 7 Q. Is there anywhere at Walgreens where the 8 orders that were being flagged by Wayne Bancroft's 9 algorithm were kept? 10 A. I don't believe that data is stored 11 anywhere. 12 Q. So, a report would populate and it would 13 just disappear into the Internet? 14 A. The reports populated. They held for a 15 period of time. I don't remember what that period 16 of time is or was. I know that our algorithms and 17 order of monitors and order of logic have been 18 evolved over the years; and with that, there would 19 have been different types of reporting that would 20 have replaced the stuff I was looking at. 21 Q. There were a batch of I'm going to say 22 20, 25 different individual pieces of paper printed 23 like the document I put in front of you as 24 Martin -- I believe it was 2.</p>
<p style="text-align: right;">Page 71</p> <p>1 to have done a much deeper dive into. So, no set 2 number. Depends on... 3 Q. Are we talking a dozen, 15? Are we 4 talking 1,000? 5 A. Definitely not 1,000. 6 Q. Are we talking several hundred? 7 A. Again, it's -- it's hard to quantify. 8 Could be anywhere between 10 to 75. I really don't 9 know. 10 Q. How about less than 100, more than 10 a 11 week? Is that fair? Somewhere in that range? 12 A. That sounds fine. 13 Q. Did you and Marcie Ranick divide them up 14 in any way that she looked at some and you looked 15 at others? 16 A. No. When she came down, we would spend 17 time together going through things, and then I'm 18 sure she was looking at stuff on her own. But I 19 don't know what she was doing. 20 Q. How would you determine, I'm going to 21 call it a batch that you would look at, the 10 to 22 less than 100 you'd look at a week? 23 A. Randomly pulling up reports. 24 Q. Do you have an understanding of how many</p>	<p style="text-align: right;">Page 73</p> <p>1 Do you have an understanding of -- did 2 you have a paper file of 20 or 25 of those reports 3 from Bancroft's algorithm? 4 A. I don't remember. I mean, I know I kept 5 a sample of the reports. How many they were, I 6 don't remember. 7 Q. Why did you keep a sample of the 8 reports? 9 A. I guess I just kept them just to see how 10 our system evolved over the years. I'm not really 11 sure why. 12 Q. Did you look at them in preparation for 13 today? 14 A. There were a few that we looked at, yes. 15 Q. All right. So, we've gone through your 16 participation in Walgreens' suspicious order 17 monitoring policies up until 2009 I believe. Okay? 18 Can you give me any more examples moving 19 forward in time of your different roles? 20 A. In relationship to the order monitoring 21 process or my roles in general with inventory? 22 Q. Walgreens -- as far as your role is what 23 we're talking about, your role with reviewing 24 procedures and policies, reports for Walgreens</p>

<p style="text-align: right;">Page 74</p> <p>1 implementing its responsibilities as a distributor.</p> <p>2 A. I wasn't responsible for writing SOPs</p> <p>3 for Walgreens. I know that I provided information</p> <p>4 for guidance for the stores and how to look up</p> <p>5 things, but I wasn't writing SOPs.</p> <p>6 Q. Okay. And I'm -- I'm sorry. I don't</p> <p>7 think I used the word "writing SOPs." So, just</p> <p>8 we're getting -- going through --</p> <p>9 A. Sorry. I misinterpreted what you said.</p> <p>10 Q. General understanding. Seems to be a</p> <p>11 little bit of a problem for the last two hours.</p> <p>12 So, generally your roles with Walgreens</p> <p>13 and its suspicious order monitoring policies, what</p> <p>14 are some of the roles you filled? That's what I'm</p> <p>15 asking you to describe to me.</p> <p>16 So, you didn't write the policies. We</p> <p>17 got that. You're not a lawyer. We got that.</p> <p>18 You're not interpreting anything. I got that. You</p> <p>19 can't remember any specific education or training</p> <p>20 with Walgreens as a distributor.</p> <p>21 Just give me some general descriptions</p> <p>22 of other duties you filled with Walgreens'</p> <p>23 suspicious order monitoring policies.</p> <p>24 MR. SWANSON: Object to the lawyer testifying,</p>	<p style="text-align: right;">Page 76</p> <p>1 A. So, I would have been continuing to work</p> <p>2 with Marcie to help her review and understand these</p> <p>3 reports. I would also work with her when she came</p> <p>4 down to look at the monthly and quarterly reports.</p> <p>5 Again, we had talked previously about me</p> <p>6 supplying data when it was requested regarding</p> <p>7 purchases.</p> <p>8 Q. So, you continued to work with Marcie</p> <p>9 and help her review and understand the reports.</p> <p>10 That's one topic, right?</p> <p>11 A. Um-hmm.</p> <p>12 Q. You also worked with her when she came</p> <p>13 down to look at the monthly and quarterly reports,</p> <p>14 correct?</p> <p>15 A. Right.</p> <p>16 Q. Kind of the same area, right?</p> <p>17 And then supplying data or data when</p> <p>18 asked, right?</p> <p>19 A. Um-hmm.</p> <p>20 Q. Is there any other roles Barbara Martin</p> <p>21 filled until the end of 2015 in relation to</p> <p>22 Walgreens' suspicious order monitoring policies and</p> <p>23 procedures?</p> <p>24 A. It's hard to think of something right</p>
<p style="text-align: right;">Page 75</p> <p>1 but you can answer the question if you understand</p> <p>2 it.</p> <p>3 BY THE WITNESS:</p> <p>4 A. What time frame are you talking about?</p> <p>5 BY MR. MOUGEY:</p> <p>6 Q. We are moving on from 2009. So, I think</p> <p>7 we've captured everything up to 2009, correct?</p> <p>8 A. To the best of my recollection.</p> <p>9 Q. To the best of your recollection. So,</p> <p>10 let's -- moving forward, give me some general</p> <p>11 descriptions of your duties with Walgreens'</p> <p>12 suspicious order monitoring policies and</p> <p>13 procedures.</p> <p>14 A. Again, what time -- we're looking at</p> <p>15 2010 now?</p> <p>16 Q. I'm just -- you don't remember dates</p> <p>17 specifically.</p> <p>18 A. No, that's what I'm trying to --</p> <p>19 Q. I understand. I'm saying moving through</p> <p>20 '09 and afterwards. I'm giving you a really broad</p> <p>21 window for you to generally describe to me what</p> <p>22 Barbara Martin did in relation to Walgreens'</p> <p>23 suspicious order monitoring policies and</p> <p>24 procedures.</p>	<p style="text-align: right;">Page 77</p> <p>1 off the top of my head. I'm sure I had</p> <p>2 correspondence and communication with other team</p> <p>3 members.</p> <p>4 Q. So, when we look at your resume,</p> <p>5 Martin 1, the only entry I see on your entire</p> <p>6 resume in relation to Walgreens' suspicious order</p> <p>7 monitoring policies and procedures with regard to</p> <p>8 its role as a distributor is that last entry,</p> <p>9 "assisted in the creation of the control drug order</p> <p>10 monitoring reports." Do you see anything else?</p> <p>11 A. That's -- that's the one that talks</p> <p>12 about order monitoring, yeah.</p> <p>13 Q. Right.</p> <p>14 A. For potentially suspicious orders.</p> <p>15 Q. Anything else on your resume where</p> <p>16 you're describing your, Barbara Martin's, roles or</p> <p>17 duties in relation to Walgreens' suspicious order</p> <p>18 monitoring policies and procedures as a</p> <p>19 distributor?</p> <p>20 A. I -- I can't think of anything.</p> <p>21 Q. All right. So, let me just make sure if</p> <p>22 I can get a general understanding of what you were</p> <p>23 doing.</p> <p>24 You helped create the drug order</p>

<p style="text-align: right;">Page 78</p> <p>1 monitoring reports, correct? By "create," you</p> <p>2 provided some input into the reports. Is that --</p> <p>3 is that fair?</p> <p>4 A. Yeah, I mean, I didn't design the</p> <p>5 report, but I looked at the data that was generated</p> <p>6 off of the reports.</p> <p>7 Q. And you gave input on some of the data</p> <p>8 that the reports were flagging. Is that fair?</p> <p>9 A. Yes.</p> <p>10 Q. All right. You pulled data kind of on</p> <p>11 an ad hoc basis when people would ask. Is that</p> <p>12 fair?</p> <p>13 A. Yes.</p> <p>14 Q. All right. And you helped Nancy --</p> <p>15 no -- Marcie Ranick interpret some of these reports</p> <p>16 and understand the flow within the inventory. Is</p> <p>17 that fair?</p> <p>18 A. Yes.</p> <p>19 Q. All right. Am I kind of capturing your</p> <p>20 recollection of what Barbara Martin did in relation</p> <p>21 to Walgreens as a distributor in relation to its</p> <p>22 suspicious order monitoring policies and</p> <p>23 procedures?</p> <p>24 A. Yeah, I mean, there might have been</p>	<p style="text-align: right;">Page 80</p> <p>1 corporate level, correct?</p> <p>2 A. Um-hmm.</p> <p>3 Q. So, post-2004, would you describe to me</p> <p>4 what, if any, roles you had assisting Walgreens</p> <p>5 with its compliance in its role as a distributor?</p> <p>6 I'm sorry. As a pharmacy.</p> <p>7 A. I'm sorry. I'm struggling with how to</p> <p>8 answer that question, because when I think of like</p> <p>9 Walgreens as a pharmacy, I would think of each</p> <p>10 individual pharmacy.</p> <p>11 Q. Fair enough. And if your answer is no,</p> <p>12 I really didn't have jobs or duties in relation to</p> <p>13 ensuring Walgreens was compliant in its role as a</p> <p>14 pharmacy, that was more at the pharmacy level, then</p> <p>15 that's a fine answer.</p> <p>16 I'm just trying to understand what</p> <p>17 Barbara Martin did and didn't do. So, if that was</p> <p>18 something that you didn't do, that's okay. I just</p> <p>19 want to know so I can figure out what to do with</p> <p>20 the rest of our time.</p> <p>21 Did Barbara Martin have any jobs or</p> <p>22 responsibilities or duties post-2004 where you were</p> <p>23 helping Walgreens with its compliance, good faith</p> <p>24 dispensing, as a pharmacy?</p>
<p style="text-align: right;">Page 79</p> <p>1 other things. Nothing comes to mind. And, again,</p> <p>2 I was more store-facing than distribution.</p> <p>3 Q. Now, let me maybe make sure you and I</p> <p>4 aren't talking past each other and the use of the</p> <p>5 word "distributor" maybe is causing you some</p> <p>6 questions about your answer.</p> <p>7 So, if I were to change the question and</p> <p>8 say describe to me your roles, Barbara Martin's</p> <p>9 roles, at Walgreens in relation to Walgreens</p> <p>10 filling its role as a pharmacy through, for</p> <p>11 example, good faith dispensing. Did you have</p> <p>12 any -- did you have any duties in that respect?</p> <p>13 A. I was aware of good faith dispensing.</p> <p>14 It was something that I was taught back in pharmacy</p> <p>15 school. I practiced it when I was a pharmacist in</p> <p>16 the stores. I wasn't involved with writing the</p> <p>17 Walgreens procedures for good faith dispensing, but</p> <p>18 generally aware of them through my entire career</p> <p>19 starting in school.</p> <p>20 Q. So, you were a pharmacist, both a</p> <p>21 staff -- an intern, a staff pharmacist and a</p> <p>22 pharmacy manager all the way up to 2004, correct?</p> <p>23 A. Yes.</p> <p>24 Q. So, post-2004, when you were more at the</p>	<p style="text-align: right;">Page 81</p> <p>1 MR. SWANSON: Object to form.</p> <p>2 BY THE WITNESS:</p> <p>3 A. So, I mean, I wasn't really responsible</p> <p>4 for interpreting the regulations. But what I did</p> <p>5 focus on, again, we can go back to I was looking at</p> <p>6 these reports and other data. You know, I'm sure I</p> <p>7 had conversations with various groups. It's hard</p> <p>8 to remember what I've done in the last 30 years.</p> <p>9 But, again, these reports were a big job</p> <p>10 and then as we got out of these reports and the</p> <p>11 system got more sophisticated, I transitioned back</p> <p>12 into other inventory supporting roles.</p> <p>13 BY MR. MOUGEY:</p> <p>14 Q. But I think what you told me earlier</p> <p>15 this morning is that you were pulling the data</p> <p>16 pulls and you weren't reviewing those. You were</p> <p>17 simply giving the data you were asked to pull to</p> <p>18 the field. Correct?</p> <p>19 A. Correct.</p> <p>20 Q. So, let's partition that one aside.</p> <p>21 Okay?</p> <p>22 So, the only reports that you were</p> <p>23 looking at were the ones that you and Marcie were</p> <p>24 looking at during the pilot phase. Is that fair?</p>

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17 BY MR. MOUGEY:

18 Q. I understand, and I'm not asking you to
19 identify the specific person or the specific time.

20 But you can't remember one instance from
21 June of '08 into now April of 2012 where somebody
22 says, "We need to correct all of these memos.
23 They're wrong. We need to put the word 'possible'
24 or 'potential' in front of 'suspicious,'" correct?

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1 A. I have no memory of that, correct.

2 Q. Now, if you turn to Bates No. 44
3 under 9.

4 "Start saving 52 weeks of order history
5 data for more accurate observations. The process
6 was already changed in December 2010 to purge the
7 order history after 52 weeks."

8 Did I read that right?

9 A. Yes, you read that correctly.

10 Q. Okay. I have two questions. Do you
11 understand what the reason is, as the business
12 owner of this specific memorandum, why 52 weeks of
13 order history data was needed for more accurate
14 observations?

15 A. Well, that's the reason, to get more
16 accurate observations.

REDACTED

REDACTED



REDACTED



REDACTED



REDACTED



REDACTED



REDACTED



REDACTED



REDACTED



<p style="text-align: right;">Page 318</p> <p>1 regulatory and law, Patty Zagami, correct?</p> <p>2 A. Her name is listed here too, yes.</p> <p>3 Q. Yes, ma'am. And now if you look above</p> <p>4 that, Anika Madarasz. Can you help me out with</p> <p>5 that?</p> <p>6 A. I vaguely remember her.</p> <p>7 Q. Okay.</p> <p>8 A. I'm not comfortable correcting your</p> <p>9 pronunciation.</p> <p>10 Q. All right. And then -- so, that e-mail</p> <p>11 then is forwarded to several people, correct?</p> <p>12 A. Yes, she sent this e-mail to a number of</p> <p>13 different people, yes.</p> <p>14 Q. And then Mike Bleser sent the e-mail to</p> <p>15 you, correct?</p> <p>16 A. Me, Denny and Frank.</p> <p>17 Q. I might just be tired. But do you see</p> <p>18 Anika, Anika's name anywhere on that e-mail below?</p> <p>19 A. I do not.</p> <p>20 Q. Do you have any understanding of how</p> <p>21 Anika could forward an e-mail that we don't see her</p> <p>22 copied on?</p> <p>23 A. Someone cut something out. I -- I don't</p> <p>24 know.</p>	<p style="text-align: right;">Page 320</p> <p>1 name as the gentleman that signed the three letters</p> <p>2 that we went through earlier from the DEA in 2006,</p> <p>3 early 2007 and late 2007?</p> <p>4 A. I don't remember looking at the</p> <p>5 signatures of those letters.</p> <p>6 Q. And if you'd turn the page to Bates</p> <p>7 No. 47, at the top of the page, the fourth bullet</p> <p>8 down, "Reviewed 21 CFR 1301.74." Are you there</p> <p>9 with me?</p> <p>10 A. Yes, I see that.</p> <p>11 Q. And you recognize that language. That</p> <p>12 was in all of the letters that we reviewed from the</p> <p>13 DEA in 2006 and 2007 about the registrant designing</p> <p>14 and operating "a system to disclose to the</p> <p>15 registrant suspicious orders of controlled</p> <p>16 substances." Correct?</p> <p>17 A. That's what this says, yes.</p> <p>18 Q. And the bullet below, "If suspicious -</p> <p>19 you don't ship. Decreasing the order and shipping</p> <p>20 is not complying with the regulation."</p> <p>21 Did I read that right?</p> <p>22 A. You read that correctly, yes.</p> <p>23 Q. So, we just looked at a Buzzeo</p> <p>24 presentation that you attended in October of 2012</p>
<p style="text-align: right;">Page 319</p> <p>1 Q. And then Mr. Bleser forwarded the</p> <p>2 contents of the e-mail to you, correct?</p> <p>3 A. Correct.</p> <p>4 Q. So, let's look back down at Mr. Swords'</p> <p>5 e-mail to Kermit Crawford, amongst others, and what</p> <p>6 I want to direct your attention to is that he's</p> <p>7 referencing a November 8th DEA meeting at NAPB,</p> <p>8 correct?</p> <p>9 A. That's the subject line, yes.</p> <p>10 Q. I forget the acronym. National</p> <p>11 Association of?</p> <p>12 A. Boards of Pharmacy.</p> <p>13 Q. There you go.</p> <p>14 And he relays that "I have the sense</p> <p>15 that today's meeting was a condensed version of the</p> <p>16 regional meetings the DEA is holding throughout the</p> <p>17 country for pharmacists." He references that he</p> <p>18 thought several of the chains were there.</p> <p>19 Do you see that?</p> <p>20 A. Yes.</p> <p>21 Q. But below that, what I want to point</p> <p>22 out, do you see Joseph Rannazzisi?</p> <p>23 A. I see his name, yes.</p> <p>24 Q. Yes, ma'am. And do you recognize his</p>	<p style="text-align: right;">Page 321</p> <p>1 and within a month of the Buzzeo presentation</p> <p>2 Mr. Rex Swords is at another meeting with the DEA</p> <p>3 where he's being told, "Decreasing the order and</p> <p>4 shipping is not complying with the regulation,"</p> <p>5 correct?</p> <p>6 A. That's what this says, yes.</p> <p>7 Q. And this was sent to you as well,</p> <p>8 correct?</p> <p>9 A. It was forwarded on to me, yes.</p> <p>10 Q. And then the next bullet says, "Ignoring</p> <p>11 suspicious orders will result in civil penalties.</p> <p>12 Cited Cardinal, ABC and McKesson fines."</p> <p>13 Correct?</p> <p>14 A. That's what that statement says, yes.</p> <p>15 Q. Now, let's go down to three-quarters of</p> <p>16 the page and you see "Red Flags"?</p> <p>17 A. Yes, I see that.</p> <p>18 Q. And at least some of these red flags are</p> <p>19 the same red flags that were identified in the</p> <p>20 Buzzeo presentation, correct?</p> <p>21 A. I believe so.</p> <p>22 Q. And this is coming directly from the DEA</p> <p>23 to Walgreens, correct?</p> <p>24 MR. SWANSON: Object to form, lacks</p>

<p style="text-align: right;">Page 322</p> <p>1 foundation.</p> <p>2 BY THE WITNESS:</p> <p>3 A. It's coming from an e-mail that Rex</p> <p>4 wrote.</p> <p>5 BY MR. MOUGEY:</p> <p>6 Q. Yes, ma'am. Where he references a</p> <p>7 meeting with Joseph Rannazzisi, the Deputy</p> <p>8 Administrator -- Deputy Assistant Administrator,</p> <p>9 Office of Diversion Control, correct? First page,</p> <p>10 middle of the page.</p> <p>11 A. Yes.</p> <p>12 Q. And he -- Mr. Swords goes on,</p> <p>13 "Mr. Rannazzisi presented a large PowerPoint deck</p> <p>14 on prescription drug trafficking and abuse for two</p> <p>15 hours," correct? "Approximately two hours,"</p> <p>16 correct?</p> <p>17 A. That's what that says, yes.</p> <p>18 Q. So, you, your boss, Mr. Bleser,</p> <p>19 Mr. Murray and several senior members of Walgreens</p> <p>20 management were put on alert that decreasing the</p> <p>21 order and shipping is not complying with the</p> <p>22 regulation as of November 9, 2012, correct?</p> <p>23 A. That's what this document says, yes.</p> <p>24 Q. Did Walgreens take the information that</p>	<p style="text-align: right;">Page 324</p> <p>1 others. Do you see that?</p> <p>2 A. I don't have a copy of the paper yet.</p> <p>3 Q. I'm sorry, Ms. Martin.</p> <p>4 (WHEREUPON, a certain document was</p> <p>5 marked as Walgreens-Martin Exhibit</p> <p>6 No. 29: 8/3/10 e-mail with</p> <p>7 attachments; WAGMDL00660331 -</p> <p>8 00660337.)</p> <p>9 BY MR. MOUGEY:</p> <p>10 Q. Do you have it in front of you,</p> <p>11 Ms. Martin?</p> <p>12 A. Yes, I do.</p> <p>13 Q. All right. This is an e-mail from</p> <p>14 Daniel Coughlin to yourself, amongst others, dated</p> <p>15 August 3, 2010, correct?</p> <p>16 A. It's to Marcie, and I'm cc'd among</p> <p>17 another bunch of people.</p> <p>18 Q. Yes, ma'am. And including Mr. Piñon,</p> <p>19 correct?</p> <p>20 A. Yes, I see his name.</p> <p>21 Q. Do you recall who Daniel Coughlin is?</p> <p>22 A. I know he had something to do with the</p> <p>23 distribution centers. I'm not sure of his exact</p> <p>24 title. I want to say vice president.</p>
<p style="text-align: right;">Page 323</p> <p>1 Mr. Swords passed around and change its algorithm</p> <p>2 to no longer cut what it internally was calling a</p> <p>3 suspicious order?</p> <p>4 MR. SWANSON: Object to form, lacks</p> <p>5 foundation.</p> <p>6 BY THE WITNESS:</p> <p>7 A. I know over the years we have made a lot</p> <p>8 of different changes. What we did when is a little</p> <p>9 bit vague to me. But I would believe that, yes, we</p> <p>10 did act on this information.</p> <p>11 BY MR. MOUGEY:</p> <p>12 Q. Do you recall that version 5.5, which</p> <p>13 was entered after these October and</p> <p>14 November e-mails, still included in the algorithm a</p> <p>15 suspicious order being cut and not reported to the</p> <p>16 DEA?</p> <p>17 MR. SWANSON: Object to form.</p> <p>18 BY THE WITNESS:</p> <p>19 A. I don't remember that directly off the</p> <p>20 top of my head.</p> <p>21 BY MR. MOUGEY:</p> <p>22 Q. Ms. Martin, I want to go back in time to</p> <p>23 August of 2010. Mark this as Martin 29. This is</p> <p>24 an e-mail from Daniel Coughlin to yourself, amongst</p>	<p style="text-align: right;">Page 325</p> <p>1 Q. Do you know if he was in a specific</p> <p>2 distribution center or was he in corporate?</p> <p>3 A. I don't remember where he was based.</p> <p>4 Q. So, the subject line is "Suspicious</p> <p>5 Controlled Drug Orders."</p> <p>6 Do you see that?</p> <p>7 A. Yes, I see that subject line.</p> <p>8 Q. And he had two questions. Do you see</p> <p>9 that it's No. 1 and No. 2?</p> <p>10 A. Yes, I see that.</p> <p>11 Q. And No. 1, he said, "I recall the old</p> <p>12 paper report as being inches thick. This was</p> <p>13 replaced by same data on disk and eventually</p> <p>14 electronic transmission. We were instructed in</p> <p>15 1985 not to review or contact anyone on the data."</p> <p>16 Did I get that right?</p> <p>17 A. That's what this says, yes.</p> <p>18 Q. Okay. "Who from your group has been</p> <p>19 reviewing the data collected for the past 25</p> <p>20 years?"</p> <p>21 Now, did that give you some pause for</p> <p>22 alarm in August 3 of 2010 that Mr. Coughlin was</p> <p>23 asking Ms. Ranick in Loss Prevention and copying</p> <p>24 you asking who has been reviewing the suspicious</p>

<p style="text-align: right;">Page 326</p> <p>1 controlled drug orders for the last 25 years?</p> <p>2 MR. SWANSON: Object to form, foundation.</p> <p>3 BY THE WITNESS:</p> <p>4 A. This e-mail wasn't sent to me. So, I</p> <p>5 don't know what Marcie or her team was doing and --</p> <p>6 BY MR. MOUGEY:</p> <p>7 Q. Did you ask?</p> <p>8 A. I personally did not.</p> <p>9 Q. And did you not ask because when you</p> <p>10 look at an e-mail like this that you've got Dwayne</p> <p>11 Piñon from legal on this that you assumed that</p> <p>12 regulatory and law was ensuring that Walgreens was</p> <p>13 complying with its obligations as a distributor</p> <p>14 under the federal code and the federal regs?</p> <p>15 MR. SWANSON: Object to form.</p> <p>16 BY THE WITNESS:</p> <p>17 A. I was assuming that if this was</p> <p>18 addressed to Marcie, that her and her team were</p> <p>19 taking appropriate action.</p> <p>20 BY MR. MOUGEY:</p> <p>21 Q. 25 years. Who has been reviewing these</p> <p>22 reports for the last 25 years, somebody from the</p> <p>23 distribution center, under suspicious drug</p> <p>24 controlled drug orders. That doesn't make you stop</p>	<p style="text-align: right;">Page 328</p> <p>1 A. No, it was not me. We didn't have --</p> <p>2 the program that I worked on didn't exist 25 years</p> <p>3 ago.</p> <p>4 BY MR. MOUGEY:</p> <p>5 Q. At any point in time in your tenure at</p> <p>6 Walgreens that we have been discussing today from</p> <p>7 the suspicious order monitoring that you were</p> <p>8 involved in, so, from 2008 to 2012, were you</p> <p>9 charged with reviewing suspicious controlled drug</p> <p>10 orders to perform due diligence to ensure the</p> <p>11 viability of those orders going to legitimate</p> <p>12 patients outside of just testing the validity of</p> <p>13 the reports?</p> <p>14 MR. SWANSON: Object to form.</p> <p>15 BY THE WITNESS:</p> <p>16 A. Yes, I was performing due diligence on</p> <p>17 some of those reports.</p> <p>18 BY MR. MOUGEY:</p> <p>19 Q. And define for me what you mean by due</p> <p>20 diligence.</p> <p>21 A. I would look at data. I would look at</p> <p>22 the store's history and see if it made sense. If</p> <p>23 something didn't make sense to me, I would call the</p> <p>24 store or the district manager or the pharmacy</p>
<p style="text-align: right;">Page 327</p> <p>1 what you're doing for the course of the day and</p> <p>2 follow up? 25 years?</p> <p>3 A. It wasn't my area of responsibility.</p> <p>4 Q. Did it not give you any concern that a</p> <p>5 member of Walgreens distribution center is asking</p> <p>6 who has been reviewing our suspicious controlled</p> <p>7 drug orders for the last 25 years?</p> <p>8 MR. SWANSON: Object to form.</p> <p>9 BY THE WITNESS:</p> <p>10 A. He's asking a question. We don't know</p> <p>11 based on this e-mail who was or who wasn't doing</p> <p>12 it. Just because he's asking who doesn't mean it</p> <p>13 wasn't being done.</p> <p>14 BY MR. MOUGEY:</p> <p>15 Q. And it certainly wasn't you, correct?</p> <p>16 A. This reporting was not my area of</p> <p>17 responsibility.</p> <p>18 Q. And not just reporting. Reviewing.</p> <p>19 What he is asking is who from the group has been</p> <p>20 reviewing the data collected for the last 25 years,</p> <p>21 suspicious controlled drug orders. That was not</p> <p>22 you, correct?</p> <p>23 MR. SWANSON: Object to form.</p> <p>24 BY THE WITNESS:</p>	<p style="text-align: right;">Page 329</p> <p>1 supervisor and try to obtain additional</p> <p>2 information.</p> <p>3 Q. And that was part of your</p> <p>4 responsibilities in the, you know, a few hours up</p> <p>5 to ten hours a week reviewing the reports from the</p> <p>6 algorithm?</p> <p>7 A. Yes.</p> <p>8 Q. Let me hand you Martin 30.</p> <p>9 (WHEREUPON, a certain document was</p> <p>10 marked as Walgreens-Martin Exhibit</p> <p>11 No. 30: 1/10/11 e-mail string;</p> <p>12 WAGFLDEA00000846 - 00000851.)</p> <p>13 BY MR. MOUGEY:</p> <p>14 Q. This is an e-mail chain with you</p> <p>15 included and Kristine Atwell. Are you familiar</p> <p>16 with Ms. Atwell?</p> <p>17 A. I remember her name, yes.</p> <p>18 Q. Yes, ma'am. You remember her name from</p> <p>19 this e-mail exchange?</p> <p>20 A. Yeah, I remember we had -- she worked in</p> <p>21 Jupiter. We had a number of different</p> <p>22 conversations via either phone call or e-mails.</p> <p>23 Q. She worked at the Jupiter distribution</p> <p>24 center?</p>

<p style="text-align: right;">Page 330</p> <p>1 A. Yes.</p> <p>2 Q. The one that was padlocked by the DEA,</p> <p>3 correct?</p> <p>4 MR. SWANSON: Object to form.</p> <p>5 BY MR. MOUGEY:</p> <p>6 Q. Correct?</p> <p>7 A. She worked in Jupiter, yes.</p> <p>8 Q. Yes, ma'am. The same Jupiter that the</p> <p>9 DEA came in and locked up the cage and kept</p> <p>10 Walgreens from accessing its Schedule II and</p> <p>11 Schedule III opiates, correct?</p> <p>12 A. That's in a different time period than</p> <p>13 this e-mail.</p> <p>14 Q. Yes, ma'am. That's not what I asked.</p> <p>15 What I simply asked you was: This is</p> <p>16 the same Jupiter that was ultimately where the</p> <p>17 locks were changed by the DEA, correct?</p> <p>18 A. Yes.</p> <p>19 Q. And this e-mail chain is dated</p> <p>20 January 10, 2011, correct?</p> <p>21 A. That is correct. Yes.</p> <p>22 Q. And if we start at the bottom of this</p> <p>23 e-mail chain on Bates No. 51, the very last page,</p> <p>24 there is two sets of Bates numbers. This is</p>	<p style="text-align: right;">Page 332</p> <p>1 you're purchasing or returning C-II drugs.</p> <p>2 Q. "This is creating an issue in</p> <p>3 maintaining enough 222 forms to fill all of the</p> <p>4 orders because a new 222 form is generated for</p> <p>5 every 128 bottles of this WIC," and that is the --</p> <p>6 what's WIC stand for again?</p> <p>7 A. Walgreens item code.</p> <p>8 Q. -- "that are ordered. For example, when</p> <p>9 they order 450 bottles, there will be four 222</p> <p>10 forms printed to accommodate this one order. I</p> <p>11 feel that this store needs to justify the large</p> <p>12 quantity."</p> <p>13 Did I read that right?</p> <p>14 A. That's what she wrote, yes.</p> <p>15 Q. "Three stores that come to mind are,"</p> <p>16 and I'm going to -- I want you to help me remember</p> <p>17 these. Write these down. Do you have a pen over</p> <p>18 there?</p> <p>19 A. I do not.</p> <p>20 Q. Okay. 7298, 3836 and 5018. Okay. Got</p> <p>21 it?</p> <p>22 A. I might have to flip back and forth.</p> <p>23 Q. All right. We'll just kind of put this</p> <p>24 document off to the side.</p>
<p style="text-align: right;">Page 331</p> <p>1 WAGFLDEA851, very last page.</p> <p>2 A. Yes, I see that.</p> <p>3 Q. You can see this is an e-mail from</p> <p>4 Kristine Atwell.</p> <p>5 "What are your thoughts on this matter?"</p> <p>6 Do you see that?</p> <p>7 A. I see that, yes.</p> <p>8 Q. Okay. Let's go to the previous</p> <p>9 page where Ms. Atwell from the Jupiter distribution</p> <p>10 center asks you, "I have" -- and I'm on Bates</p> <p>11 No. 50 -- "I have several stores that are ordering</p> <p>12 huge quantities of 682971 on a regular basis."</p> <p>13 And that is a controlled substance,</p> <p>14 correct?</p> <p>15 A. Off the top of my head I don't remember</p> <p>16 what that WIC number is associated with, but --</p> <p>17 Q. This is -- I'm sorry. Go ahead. Were</p> <p>18 you finished?</p> <p>19 A. We'll just assume it's some kind of a</p> <p>20 C-II because she is mentioning the 222 forms.</p> <p>21 Q. Yes, ma'am. The 222 forms need to be</p> <p>22 filled out when a certain amount of controlled</p> <p>23 substances are shipped, correct?</p> <p>24 A. The 222 form is required by the DEA when</p>	<p style="text-align: right;">Page 333</p> <p>1 So, essentially Ms. Atwell is asking</p> <p>2 you, these stores should justify these large</p> <p>3 amounts of Schedule II controlled substance,</p> <p>4 correct?</p> <p>5 A. Of this particular item, yes.</p> <p>6 Q. Yes, ma'am. And you respond to her on</p> <p>7 Bates No. 49 and reply, "I am able to look at store</p> <p>8 item movement if this helps."</p> <p>9 Do you see where I am?</p> <p>10 A. Yes.</p> <p>11 Q. "You can contact the store for more</p> <p>12 information."</p> <p>13 So, you didn't contact the store. You</p> <p>14 told her to contact the store. Correct?</p> <p>15 A. That's what I wrote, yes.</p> <p>16 Q. Somebody in the distribution center,</p> <p>17 correct?</p> <p>18 A. That's what I wrote, yes.</p> <p>19 Q. Not Barb Martin performing the due</p> <p>20 diligence. You told her to contact the store,</p> <p>21 correct?</p> <p>22 MR. SWANSON: Object to form.</p> <p>23 BY THE WITNESS:</p> <p>24 A. I told Kristine to reach out to the</p>

<p style="text-align: right;">Page 334</p> <p>1 store, yes.</p> <p>2 BY MR. MOUGEY:</p> <p>3 Q. You said, "These sales are quite high</p> <p>4 compared to other non-Florida stores."</p> <p>5 Correct?</p> <p>6 A. That's what I wrote, yes.</p> <p>7 Q. "Store 7298 sells about 22,000 tabs of</p> <p>8 682971 every week."</p> <p>9 Correct?</p> <p>10 A. That's what I wrote, yes.</p> <p>11 Q. "That translates to 220 bottles per</p> <p>12 week."</p> <p>13 Is that "SO"? Is that supposed to be</p> <p>14 "of"?</p> <p>15 Oh, I'm sorry. Never mind.</p> <p>16 "That translates to 220 dollars per</p> <p>17 week, so 450 bottles is more than a two-week</p> <p>18 supply." (As read.)</p> <p>19 Did I get that right?</p> <p>20 A. I wrote "a little more than a two-week</p> <p>21 supply."</p> <p>22 Q. Yes, ma'am. And if you turn to Bates</p> <p>23 No. 47, you e-mailed her again and said, "I ran a</p> <p>24 query to see how many bottles we have sent to store</p>	<p style="text-align: right;">Page 336</p> <p>1 redo that.</p> <p>2 Ms. Atwell responds to you. That makes</p> <p>3 it even better.</p> <p>4 She runs "a query to see how many</p> <p>5 bottles we have sent," and she says, "store 3836,"</p> <p>6 "and we have shipped them 3271 bottles between</p> <p>7 12/1/10 and 1/10/11."</p> <p>8 Now do I have that right? That's from</p> <p>9 her to you, correct?</p> <p>10 MR. SWANSON: Object to the preface. Go ahead</p> <p>11 and answer.</p> <p>12 BY MR. MOUGEY:</p> <p>13 Q. That's from her to you, correct?</p> <p>14 A. Yes, she wrote this e-mail.</p> <p>15 Q. So, she runs the query and then she</p> <p>16 says, "I don't know how they can even house this</p> <p>17 many bottles to be honest."</p> <p>18 Correct? Did I get that right?</p> <p>19 A. That's what she wrote, yes.</p> <p>20 Q. "How do we go about checking the</p> <p>21 validity of these orders?"</p> <p>22 Correct?</p> <p>23 A. That's what she wrote, yes.</p> <p>24 Q. Here we are, Barb Martin doing due</p>
<p style="text-align: right;">Page 335</p> <p>1 3836 and we have shipped them 3271 bottles between</p> <p>2 12/1/10 and 1/10/11."</p> <p>3 Correct?</p> <p>4 MR. SWANSON: Object to form, mischaracterizes</p> <p>5 the document.</p> <p>6 BY MR. MOUGEY:</p> <p>7 Q. "I ran a query to see how many bottles</p> <p>8 we have sent to store 3836 and we have shipped them</p> <p>9 approximately 3271 bottles between 12/1/10 and</p> <p>10 1/10/11."</p> <p>11 Did I read that right?</p> <p>12 MR. SWANSON: Same objection.</p> <p>13 MR. MOUGEY: What's your objection, Counselor?</p> <p>14 MR. SWANSON: You said she wrote it.</p> <p>15 MR. MOUGEY: You're right. These e-mails are</p> <p>16 so jacked up.</p> <p>17 MR. SWANSON: Wasn't hard for me to figure</p> <p>18 out.</p> <p>19 MR. MOUGEY: Yes, because you are so much</p> <p>20 smarter than me. I appreciate that. You all</p> <p>21 remind me of that every day. I will work hard to</p> <p>22 get there.</p> <p>23 BY MR. MOUGEY:</p> <p>24 Q. So here you are. I apologize. Let's</p>	<p style="text-align: right;">Page 337</p> <p>1 diligence on the store, gets contacted by the</p> <p>2 distribution center. There is 3271 bottles. The</p> <p>3 distribution center is asking you what do we do.</p> <p>4 And what do you tell her on the first page,</p> <p>5 Ms. Martin?</p> <p>6 Make sure I get this right. This is</p> <p>7 from you to her, right?</p> <p>8 You don't make the call. You tell her</p> <p>9 after 3200 bottles of a Schedule II to one</p> <p>10 pharmacy, you tell her, "Terry Collins is the</p> <p>11 district pharmacy supervisor. His cell is," and</p> <p>12 you give her the cell, "He may be able to shed the</p> <p>13 light on the subject."</p> <p>14 Did I get that right?</p> <p>15 A. That's what I wrote, yes.</p> <p>16 Q. Yes, ma'am. Now, when you were</p> <p>17 testifying to this jury about the due diligence you</p> <p>18 would perform on orders that would -- that were</p> <p>19 flagged, is this the kind of due diligence you</p> <p>20 performed where you told the distribution center</p> <p>21 after they ask you how do we check about the</p> <p>22 viability, you tell them to contact the district</p> <p>23 pharmacy supervisor?</p> <p>24 A. That is one way of doing it. I can look</p>

<p style="text-align: right;">Page 338</p> <p>1 at sales history and I can see what was ordered. 2 But I'm not near that store. I don't have access 3 to the prescriptions that they're filling and I 4 don't have access to any of their patient 5 information. 6 That is why I referred her to Terry who 7 is in the district, and he could go and work with 8 that store to determine why they're filling so many 9 prescriptions for their patients. 10 Q. So, this is the typical type of due 11 diligence when you mentioned it earlier, you would 12 tell the Jupiter distribution center that was 13 ultimately locked by the DEA that she should call 14 the district pharmacy supervisor, correct? 15 MR. SWANSON: Object to form. 16 BY THE WITNESS: 17 A. It's one of the types. Since I didn't 18 have access to this store's information, that's -- 19 I couldn't take any direct action. 20 (WHEREUPON, a certain document was 21 marked Walgreens-Martin Exhibit 22 No. 31: Binder of documents, 23 "Settlement and Memorandum of 24 Agreement" and various other</p>	<p style="text-align: right;">Page 340</p> <p>1 Suspension to Walgreens Jupiter," and it cites to 2 Exhibit B. 3 Do you see that? 4 A. I see that, yes. 5 Q. Okay. Let's go to Exhibit B. Go to the 6 tab. It says Appendix B. It's dated September 13, 7 2012. 8 Do you see that? 9 A. I see that, yes. 10 Q. That was one day after your e-mail to 11 your boss informing him that the DEA had changed 12 the locks on Walgreens' cage, correct? 13 A. I don't remember the exact dates. 14 Q. This document, Exhibit B, Order to Show 15 Cause and Immediate Suspension of Registration on 16 Page No. 28 of 349, correct? 17 Do you see the page numbers in the 18 middle of the page, 28 of 349? 19 A. At the bottom, yes. 20 Q. Yes, ma'am. And you see the title where 21 it says Order to Show Cause and Immediate 22 Suspension of Registration, correct? 23 A. Yes. 24 Q. And if you look at paragraph 1, it's</p>
<p style="text-align: right;">Page 339</p> <p>1 documents; beginning Bates No. 2 WAGMDL00490963.) 3 BY MR. MOUGEY: 4 Q. I hand you what we're going to mark as 5 Martin 31, and I ask you to remember that store 6 number. 7 So, before we go to Exhibit 31, the 8 store number that she was asking about with the 9 3,200 bottles on Bates No. 47 is 3836. Okay? 10 Do you see that, 3836? 11 A. I see that, yes. 12 Q. Martin 21 -- 31 is titled Settlement and 13 Memorandum of Agreement, correct? 14 A. That's the title of this document, yes. 15 Q. Yes, ma'am. And if you look at No. 4 on 16 Bates No. 63, you'll see that it references 17 "Walgreens' Jupiter Distribution Center is 18 registered with the DEA as a distributor of 19 Schedule II through IV." (As read.) 20 Do you see that? Paragraph 4? 21 A. Yes, I see that. 22 Q. You will see in paragraph 5, "On 23 September 13, 2012, the DEA by its Administrator 24 issued an Order to Show Cause and Immediate</p>	<p style="text-align: right;">Page 341</p> <p>1 referencing Walgreens Jupiter Florida distribution 2 center, correct? Paragraph 1. 3 A. Yes. 4 Q. If you look at paragraph 2, the first 5 sentence, "Since at least 2009, the State of 6 Florida has been the epicenter of a notorious, 7 well-documented epidemic of prescription drug 8 abuse." 9 Did I get that right? 10 A. That's the statement written here, yes. 11 Q. And follows it up with, "In July of 12 2011, the Florida Surgeon General declared a public 13 health emergency based on the prescription pill 14 epidemic which results in an average of seven 15 overdose deaths per day in Florida." 16 Correct? 17 A. That's what this document says. 18 Q. The dates in paragraph 2 from 2009 to 19 2011 cover the exact same time span when you and 20 your colleagues at Walgreens are working on the 21 suspicious order monitoring policy with Mr. -- with 22 Mr. Bancroft, correct? 23 A. Yeah, that sounds right. 24 Q. If you turn the page to page 30 of 349,</p>

<p style="text-align: right;">Page 342</p> <p>1 at the top of the page lists six store locations.</p> <p>2 Do you see those?</p> <p>3 A. Yes, I see those.</p> <p>4 Q. And if you look at No. 4, 3836 is the</p> <p>5 exact same store that Ms. Atwell was e-mailing you</p> <p>6 about in the beginning of 2011, correct?</p> <p>7 A. That is, yes, one of the stores.</p> <p>8 Q. When she relays, "I ran a query to see</p> <p>9 how many bottles we have sent to store 3836. We've</p> <p>10 shipped them 3271 bottles from 12/1/10 to 1/10/11.</p> <p>11 I don't know how they can keep this many bottles to</p> <p>12 be" -- "how they can even house this many bottles</p> <p>13 to be honest. How do we go about checking the</p> <p>14 validity of these orders?"</p> <p>15 Correct?</p> <p>16 A. That's what she wrote, yes.</p> <p>17 Q. Yes, ma'am. And if you look at No. 4 on</p> <p>18 store 3836, oxycodone is Schedule II and one of the</p> <p>19 most highly abused controlled substance --</p> <p>20 controlled substances, correct?</p> <p>21 A. By definition, when the DEA classifies a</p> <p>22 product as a Schedule II, it's both highly</p> <p>23 addictive and abusable.</p> <p>24 Q. And according to these numbers and the</p>	<p style="text-align: right;">Page 344</p> <p>1 agreement with the DEA, Walgreens went from 344,000</p> <p>2 dosage units to 849,000 dosage units, correct?</p> <p>3 MR. SWANSON: Object to form, mischaracterizes</p> <p>4 the document you're reading from.</p> <p>5 BY THE WITNESS:</p> <p>6 A. I see the changes in numbers. Again,</p> <p>7 I'm just not -- I'm not sure where this data is</p> <p>8 coming from.</p> <p>9 BY MR. MOUGEY:</p> <p>10 Q. I understand. But let's just look --</p> <p>11 let's do this just to clear up any confusion.</p> <p>12 Turn to page 2 of 349 and keep your</p> <p>13 thumb in 30 of 49. Do you see "Stipulation and</p> <p>14 Agreement"?</p> <p>15 A. I see that title.</p> <p>16 Q. What do you understand, Ms. Martin, that</p> <p>17 "Stipulation and Agreement" means?</p> <p>18 A. I'm not really sure. This looks like a</p> <p>19 very complicated legal document, and I would leave</p> <p>20 it for someone that's more --</p> <p>21 Q. Yes, ma'am, like Mr. Piñon to tell us.</p> <p>22 Paragraph No. 2, "Walgreens acknowledges</p> <p>23 that suspicious order reporting for distribution to</p> <p>24 certain pharmacies did not meet the standards</p>
<p style="text-align: right;">Page 343</p> <p>1 agreement between Walgreens and the DEA in 2009,</p> <p>2 there were 344,000 dosage units of oxycodone in</p> <p>3 2009, correct?</p> <p>4 MR. SWANSON: Object to form, characterization.</p> <p>5 BY THE WITNESS:</p> <p>6 A. I'm not sure where this data is being</p> <p>7 supplied from.</p> <p>8 BY MR. MOUGEY:</p> <p>9 Q. Yes, ma'am. Because you certainly</p> <p>10 didn't go and look. You told her to contact the</p> <p>11 pharmacy supervisor, correct?</p> <p>12 MR. SWANSON: Object to form, argumentative.</p> <p>13 BY MR. MOUGEY:</p> <p>14 Q. Because you don't know the numbers,</p> <p>15 correct? You never looked?</p> <p>16 A. For this particular store, if you go</p> <p>17 back on my e-mail, I was unable to look because I</p> <p>18 was unable to access the store's system. Since I</p> <p>19 didn't have any other information to justify the</p> <p>20 information, I referred her to someone that was</p> <p>21 closer to the store and could have helped her.</p> <p>22 Q. While seven people a day in the State of</p> <p>23 Florida are overdosing, the oxycodone purchases by</p> <p>24 dosage unit from 2009 to 2010, according to the</p>	<p style="text-align: right;">Page 345</p> <p>1 identified by DEA in three letters from DEA Deputy</p> <p>2 Assistant Director, Office of Diversion Control,</p> <p>3 sent to every registered manufacturer and</p> <p>4 distributor, including Walgreens, on September 27,</p> <p>5 2006, February 7, 2007 and December 27, 2007."</p> <p>6 Did I get that right?</p> <p>7 MR. SWANSON: Object to the preface to that</p> <p>8 question. Go ahead and answer.</p> <p>9 BY MR. MOUGEY:</p> <p>10 Q. Did I get that right, Ms. Martin?</p> <p>11 A. I believe you read the words correctly.</p> <p>12 Q. Do you recognize those dates as the</p> <p>13 letters we went through earlier, September of '06,</p> <p>14 February of '07 and December of '07?</p> <p>15 A. Vaguely.</p> <p>16 Q. Yes, ma'am. And you understand that</p> <p>17 Walgreens is acknowledging that its suspicious</p> <p>18 order reporting for the Jupiter distribution center</p> <p>19 did not meet the standards identified in those</p> <p>20 letters?</p> <p>21 A. That's the verbiage on this form.</p> <p>22 Q. Yes, ma'am. That Walgreens signed and</p> <p>23 agreed to, correct, ma'am?</p> <p>24 A. I have no direct knowledge of who signed</p>

<p style="text-align: right;">Page 346</p> <p>1 it.</p> <p>2 Q. I thought you might say that, so why</p> <p>3 don't we turn to page 11 of 349, less than ten</p> <p>4 pages after the Stipulation and Agreement wherein</p> <p>5 "Walgreens acknowledges that suspicious order</p> <p>6 reporting for distribution to certain pharmacies</p> <p>7 did not meet the standards identified by the DEA,"</p> <p>8 you see that Thomas Sabatino, executive vice</p> <p>9 president, general counsel and corporate secretary,</p> <p>10 signed on behalf of Walgreens on June 10, 2013,</p> <p>11 correct?</p> <p>12 A. I see that, yes.</p> <p>13 Q. Yes, ma'am. So let's go back to page 30</p> <p>14 of 349 and store 3836.</p> <p>15 So, in the data provided in this</p> <p>16 agreement, Walgreens dosage units of oxycodone from</p> <p>17 the store that you were contacted about in</p> <p>18 January of '11 went from 344,000 dosage units</p> <p>19 according to this document to 849,000, correct?</p> <p>20 MR. SWANSON: Object to the characterization.</p> <p>21 BY THE WITNESS:</p> <p>22 A. That's what the numbers on the form say.</p> <p>23 BY MR. MOUGEY:</p> <p>24 Q. And you understand that that is an</p>	<p style="text-align: right;">Page 348</p> <p>1 community is in store 3836, Port Richey, Florida?</p> <p>2 A. I -- I don't know that area.</p> <p>3 Q. Do you have Google on your computer?</p> <p>4 A. I do now. I don't know if I had it back</p> <p>5 then.</p> <p>6 Q. So, if you would have Googled Fort</p> <p>7 Pierce back then, you would know -- I'm sorry --</p> <p>8 Port Richey, you would have looked and found that</p> <p>9 Port Richey, Florida has a population of</p> <p>10 approximately 5,000 people.</p> <p>11 5,000 people in January '11, over</p> <p>12 1.4 million dosage units of oxycodone, correct?</p> <p>13 MR. SWANSON: Object to form, assumes facts</p> <p>14 not in evidence, foundation.</p> <p>15 BY THE WITNESS:</p> <p>16 A. I'm not sure I understand what you're</p> <p>17 trying to ask me.</p> <p>18 BY MR. MOUGEY:</p> <p>19 Q. Yes, ma'am. If you would have looked in</p> <p>20 January -- at the beginning of January '11, you</p> <p>21 would have been able to determine that Port Richey,</p> <p>22 Florida has a population of approximately 5,000</p> <p>23 people and potentially prevented Walgreens from</p> <p>24 dispensing 1.4 million dosage units in that</p>
<p style="text-align: right;">Page 347</p> <p>1 increase of approximately 150% in the course of</p> <p>2 that one year, correct?</p> <p>3 A. I don't -- I wouldn't be able to do</p> <p>4 those calculations in the top of my head.</p> <p>5 Q. How about this. It's more than double?</p> <p>6 344,000 times 2 is 688,000, right, more than</p> <p>7 double?</p> <p>8 A. I'll agree to that, yes.</p> <p>9 Q. Now, you were contacted by Ms. Atwell</p> <p>10 and asking you to check the validity of those</p> <p>11 orders in the very beginning of 2011, January,</p> <p>12 correct?</p> <p>13 A. Got the dates on the e-mail.</p> <p>14 Q. Yes, ma'am.</p> <p>15 A. Okay.</p> <p>16 Q. Very beginning of 2011, correct?</p> <p>17 A. Yes, I see that.</p> <p>18 Q. And in 2011, the dosage units to this</p> <p>19 one store that you were contacted by -- about in</p> <p>20 January, the annual dosage units for just oxycodone</p> <p>21 were 1.4 million.</p> <p>22 Do you see that?</p> <p>23 A. I see that number, yes.</p> <p>24 Q. Do you have any idea how large the</p>	<p style="text-align: right;">Page 349</p> <p>1 community, correct?</p> <p>2 MR. SWANSON: Object to form.</p> <p>3 BY THE WITNESS:</p> <p>4 A. Again, I'm still not sure what your</p> <p>5 question is.</p> <p>6 BY MR. MOUGEY:</p> <p>7 Q. Yes, ma'am. As part of your due</p> <p>8 diligence, did you even look to see how many people</p> <p>9 lived in this community that you were contacted</p> <p>10 about in January '11 about 3271 bottles coming off</p> <p>11 the shelves?</p> <p>12 A. I personally did not --</p> <p>13 Q. Yes, ma'am.</p> <p>14 A. -- look at the population. Quite</p> <p>15 frankly, I would think that that would be -- do</p> <p>16 more harm than good.</p> <p>17 As a pharmacist, I wouldn't want to turn</p> <p>18 away a patient just because they didn't live in the</p> <p>19 same city my store was in. I personally live in</p> <p>20 Chicago and I shop in a store in Park Ridge.</p> <p>21 So, if I looked at just the population</p> <p>22 of each city, and I said I can only fill that many</p> <p>23 prescriptions, I think we would be doing more harm</p> <p>24 than good to our patient population.</p>

<p style="text-align: right;">Page 350</p> <p>1 And that's why I referred her to Terry</p> <p>2 because he was in the area. He would know what</p> <p>3 that store is doing and if they had patients that</p> <p>4 they were serving from other areas.</p> <p>5 Q. So, the fact that when you looked, that</p> <p>6 849,000 dosage units of oxycodone was given -- was</p> <p>7 being dispensed into a town of 5,000 people would</p> <p>8 not have caused Barb Martin any alarm in the</p> <p>9 beginning of 2011?</p> <p>10 MR. SWANSON: Object to form.</p> <p>11 BY THE WITNESS:</p> <p>12 A. I wasn't looking at that data.</p> <p>13 BY MR. MOUGEY:</p> <p>14 Q. Yes, ma'am, and that's not what I asked,</p> <p>15 if you looked at it. We've already established you</p> <p>16 didn't know that there was 5,000 people in that</p> <p>17 community. What I asked was a little different.</p> <p>18 If you had looked in the beginning of</p> <p>19 2011 and you would have seen that 849,000 dosage</p> <p>20 units of oxycodone were being dispensed by</p> <p>21 Walgreens where you had spent almost 25 years at</p> <p>22 this point, would that have caused you any alarm?</p> <p>23 MR. SWANSON: Object to form.</p> <p>24 BY THE WITNESS:</p>	<p style="text-align: right;">Page 352</p> <p>1 BY MR. MOUGEY:</p> <p>2 Q. I'm sorry?</p> <p>3 A. I understand what the word means. I'd</p> <p>4 like to know in what context you're trying to use</p> <p>5 it.</p> <p>6 Q. Turn to page 38 of 349 of this same</p> <p>7 document. Paragraph No. 23. The context that I'm</p> <p>8 referring to the use of the word "systemic" is</p> <p>9 "Voluntary dispensing restrictions enacted either</p> <p>10 in anticipation of" -- are you there?</p> <p>11 A. I'm sorry. I guess I'm -- because I</p> <p>12 don't --</p> <p>13 Q. Let's do the bottom --</p> <p>14 A. You said page 48, right?</p> <p>15 Q. The bottom page numbers, 38 of 349.</p> <p>16 A. I'm sorry.</p> <p>17 Q. 38. That's okay.</p> <p>18 A. I turned to 48.</p> <p>19 Q. Paragraph 23.</p> <p>20 A. Okay. I see 23.</p> <p>21 Q. "Voluntary dispensing restrictions</p> <p>22 enacted either in anticipation of, or in reaction</p> <p>23 to regulatory action, do not indicate to me that</p> <p>24 the Respondent and its parent company have</p>
<p style="text-align: right;">Page 351</p> <p>1 A. I would need to know more history than</p> <p>2 just a couple of the numbers on a piece of paper.</p> <p>3 BY MR. MOUGEY:</p> <p>4 Q. And that's exactly the point of</p> <p>5 performing due diligence, correct, Ms. Martin, is</p> <p>6 that you gather information to make an educated</p> <p>7 decision, correct?</p> <p>8 A. And if I'm not capable of gathering that</p> <p>9 information, I find other people that can.</p> <p>10 Q. So, when you told this jury earlier that</p> <p>11 you were performing due diligence on stores, your</p> <p>12 realm of expertise, your wheelhouse does not even</p> <p>13 include Googling the city where the pharmacy is</p> <p>14 located to see what the population is?</p> <p>15 A. Again, I don't see how that's relevant.</p> <p>16 I wouldn't want to limit patients to only go to</p> <p>17 pharmacies in the city they live in.</p> <p>18 Q. Do you understand what the word</p> <p>19 "systemic" means, Ms. Martin?</p> <p>20 A. I guess it depends in what context you</p> <p>21 want to use the word.</p> <p>22 Q. Just systemic. Corporate-wide. Do you</p> <p>23 understand what "systemic" means?</p> <p>24 MR. SWANSON: Object to form.</p>	<p style="text-align: right;">Page 353</p> <p>1 recognized and adequately reformed the systemic</p> <p>2 shortcomings discussed herein."</p> <p>3 So, in that context, language from the</p> <p>4 DEA about Walgreens' systemic shortcomings, what</p> <p>5 does that mean to you, Ms. Martin?</p> <p>6 MR. SWANSON: Object on foundation.</p> <p>7 BY THE WITNESS:</p> <p>8 A. It's not my responsibility to determine</p> <p>9 what the DEA means. I left that up to our legal</p> <p>10 department.</p> <p>11 BY MR. MOUGEY:</p> <p>12 Q. Sitting here today in 2018, to this</p> <p>13 jury, when I'm asking you what the word "systemic</p> <p>14 shortcoming" means in this document from the DEA,</p> <p>15 you don't have the wherewithal or the ability to</p> <p>16 tell me what that means?</p> <p>17 MR. SWANSON: Object to form.</p> <p>18 BY THE WITNESS:</p> <p>19 A. Again, I'm not comfortable making a</p> <p>20 legal decision on a legal document.</p> <p>21 BY MR. MOUGEY:</p> <p>22 Q. I'm asking you to tell us what the</p> <p>23 meaning of a word, "systemic," is in a sentence.</p> <p>24 You're not comfortable making that</p>

<p style="text-align: right;">Page 354</p> <p>1 determination today?</p> <p>2 MR. SWANSON: Objection; foundation.</p> <p>3 BY THE WITNESS:</p> <p>4 A. I'm not comfortable responding on a</p> <p>5 legal document.</p> <p>6 BY MR. MOUGEY:</p> <p>7 Q. Yet you're telling this jury that from</p> <p>8 the middle of 2008 until the end of 2012, you were</p> <p>9 a material participant in developing Walgreens'</p> <p>10 suspicious order monitoring policies and</p> <p>11 procedures, correct?</p> <p>12 A. I was one of a number of people involved</p> <p>13 with the processes, yes.</p> <p>14 Q. You were one of a number of people who</p> <p>15 were charged with the objective of identifying and</p> <p>16 reporting suspicious orders to the DEA, correct?</p> <p>17 A. I thought our objective was more coming</p> <p>18 up with system enhancements. I wasn't involved</p> <p>19 with the reporting part.</p> <p>20 MR. MOUGEY: Let me take a quick break and let</p> <p>21 me review what I got left. How much time do we</p> <p>22 have left?</p> <p>23 THE VIDEOGRAPHER: Got about 27 minutes.</p> <p>24 MR. MOUGEY: Thank you.</p>	<p style="text-align: right;">Page 356</p> <p>1 look into it and respond if required.</p> <p>2 MR. MOUGEY: That's fine. Thank you.</p> <p>3 MR. SWANSON: Thanks.</p> <p>4 EXAMINATION</p> <p>5 BY MR. SWANSON:</p> <p>6 Q. So, Ms. Martin, it's been a long day,</p> <p>7 and I know you're tired; and I promise that I'm not</p> <p>8 going to take a whole lot more of your time, but I</p> <p>9 do have just a few questions that I hope I can ask</p> <p>10 and you can help clarify some questions that I had</p> <p>11 from your earlier testimony.</p> <p>12 Earlier, actually for a good part of the</p> <p>13 afternoon today, Mr. Mougey went through several</p> <p>14 documents with you, memoranda, business requirement</p> <p>15 documents, et cetera, that related to the</p> <p>16 suspicious order monitoring system that you had</p> <p>17 some involvement in working on.</p> <p>18 Do you recall that generally?</p> <p>19 A. Yes.</p> <p>20 Q. And he focused a lot of his attention on</p> <p>21 a specific word that was contained in those</p> <p>22 reports, and that was "suspicious orders." Do you</p> <p>23 remember that?</p> <p>24 A. Yes.</p>
<p style="text-align: right;">Page 355</p> <p>1 THE VIDEOGRAPHER: We're going off the record</p> <p>2 at 5:33.</p> <p>3 (WHEREUPON, a recess was had</p> <p>4 from 5:33 to 5:53 p.m.)</p> <p>5 THE VIDEOGRAPHER: We're back on the record at</p> <p>6 5:53.</p> <p>7 MR. MOUGEY: I don't have any further</p> <p>8 questions other than the issue of the performance</p> <p>9 review. I just wanted a confirmation that if we</p> <p>10 are not getting performance reviews in specific</p> <p>11 years, does that mean that they don't exist or that</p> <p>12 there is no reference to opiate-related performance</p> <p>13 in that review.</p> <p>14 So, subject to that answer, because I</p> <p>15 believe we're supposed to be receiving them prior,</p> <p>16 72 hours prior to the depos, that's the only</p> <p>17 caveat. I don't have any questions and don't</p> <p>18 anticipate a problem, but I would just appreciate</p> <p>19 an answer.</p> <p>20 MR. SWANSON: Okay. So I don't have an answer</p> <p>21 right now, as I told you. You understand. My</p> <p>22 understanding is we have tried to answer that</p> <p>23 question for you. If it hasn't been done to your</p> <p>24 satisfaction, I can't speak to that but we will</p>	<p style="text-align: right;">Page 357</p> <p>1 Q. And there were some back-and-forth</p> <p>2 between you and Mr. Mougey over whether that was a</p> <p>3 reference to an actual suspicious order or a</p> <p>4 potential or possible suspicious order. Do you</p> <p>5 recall that?</p> <p>6 A. Yes.</p> <p>7 Q. And can you tell us what your</p> <p>8 understanding of that term "suspicious order" as it</p> <p>9 was used in those business requirement documents</p> <p>10 referred to?</p> <p>11 A. Even though the document didn't use the</p> <p>12 word "potentially," that was what my belief was,</p> <p>13 that we were looking for orders that had the</p> <p>14 potential to be suspicious. But until we did more</p> <p>15 evaluations of those orders, we weren't sure</p> <p>16 whether they were suspicious or not.</p> <p>17 Q. And he pulled out or he showed you</p> <p>18 during the course of the day a couple of different</p> <p>19 reports, and I'd like to ask you about those now.</p> <p>20 The first is, was marked Martin</p> <p>21 Exhibit No. 2. Could you pull that out, please.</p> <p>22 A. Here I have it.</p> <p>23 Q. Okay. And is Martin Exhibit No. 2 one</p> <p>24 of the reports that was generated by the system</p>

<p style="text-align: right;">Page 358</p> <p>1 that you were asked questions about today?</p> <p>2 A. Yes.</p> <p>3 Q. And if you look, it's a document dated</p> <p>4 August 25 of 2009, right?</p> <p>5 A. Correct.</p> <p>6 Q. And in the top right corner, it says</p> <p>7 "Suspicious Order," right?</p> <p>8 A. Right. That's the name that we were</p> <p>9 using.</p> <p>10 Q. Okay. And as you review Martin</p> <p>11 Exhibit 2, is this a document that you -- well, let</p> <p>12 me ask you first a prefatory question.</p> <p>13 Was this a document, Martin 2, a</p> <p>14 document that was flagged by the system for you to</p> <p>15 review?</p> <p>16 A. This item was flagged, yes.</p> <p>17 Q. If you look at Martin Exhibit 2, do you</p> <p>18 consider this to be a suspicious order as you</p> <p>19 understand that term?</p> <p>20 A. I do not consider this to be a</p> <p>21 suspicious order. My reasoning for that is that</p> <p>22 the suggested order quantity and the ordered</p> <p>23 quantity are both 3. So, there was no changes that</p> <p>24 the store made from what our system wanted to</p>	<p style="text-align: right;">Page 360</p> <p>1 a suspicious order?</p> <p>2 A. I do not consider this order to be</p> <p>3 suspicious either. While the suggested quantity,</p> <p>4 the system order was zero, there was an order by a</p> <p>5 store user with a user ID of Zulic that ordered a</p> <p>6 quantity of 2. This is equal to the tolerance</p> <p>7 limit, so I would not consider this suspicious.</p> <p>8 They could have been punching this order</p> <p>9 manually for a number of different reasons. The</p> <p>10 first one that would come to my mind would be the</p> <p>11 fact that it's possible without seeing any other</p> <p>12 different information that this store never had an</p> <p>13 order history in the past. If they hadn't had it</p> <p>14 before and a new patient presented a prescription,</p> <p>15 the system wouldn't know to order it. They would</p> <p>16 have to order it manually.</p> <p>17 Q. So, even though Martin Exhibit 20 was a</p> <p>18 report that was flagged by the system marked as a</p> <p>19 suspicious order, you don't consider this to be in</p> <p>20 fact a suspicious order?</p> <p>21 A. I do not think this is a suspicious</p> <p>22 order.</p> <p>23 Q. Was it flagged as a potential suspicious</p> <p>24 order?</p>
<p style="text-align: right;">Page 359</p> <p>1 order. And then that number 3 is well below the</p> <p>2 tolerance limit of 5.</p> <p>3 Q. So, even though Martin Exhibit 2 was a</p> <p>4 report that was flagged by the system, it said</p> <p>5 "Suspicious Order" on it, you don't consider this</p> <p>6 to be a suspicious order?</p> <p>7 A. No.</p> <p>8 Q. And then the only other document he</p> <p>9 showed you a report that he showed you was Martin</p> <p>10 Exhibit 20. Can you pull that one out, please.</p> <p>11 A. Might be faster if I just look on the</p> <p>12 screen.</p> <p>13 Q. Okay. That's fine. Thank you.</p> <p>14 This is another report that Mr. Mougey</p> <p>15 showed you, again, with a title or a -- the words</p> <p>16 on there "Suspicious Order."</p> <p>17 Do you see that in the upper right</p> <p>18 corner?</p> <p>19 A. Yes.</p> <p>20 Q. And was this a report that was flagged</p> <p>21 by the system that Mr. Mougey asked you about</p> <p>22 today?</p> <p>23 A. Yes.</p> <p>24 Q. Do you consider Martin Exhibit 20 to be</p>	<p style="text-align: right;">Page 361</p> <p>1 A. It was flagged for our review, which is</p> <p>2 why I kept using the term "potentially suspicious."</p> <p>3 MR. SWANSON: Thank you. That clarified it</p> <p>4 for me. I don't have any more questions.</p> <p>5 MR. MOUGEY: I have a couple follow-up</p> <p>6 questions, Ms. Martin.</p> <p>7 FURTHER EXAMINATION</p> <p>8 BY MR. MOUGEY:</p> <p>9 Q. So, how many years did you review these</p> <p>10 reports?</p> <p>11 A. Somewhere between 2 and 4.</p> <p>12 Q. Somewhere between 2 and 4. So,</p> <p>13 beginning of 2009 to late 2012, right?</p> <p>14 A. Middle 2012 when the Rx Integrity team</p> <p>15 came and there were various iterations of this form</p> <p>16 as well.</p> <p>17 Q. Now, what was produced out of your file</p> <p>18 was about 22 or 23 of these suspicious order</p> <p>19 reports. Do you have any idea why you had 22 or 23</p> <p>20 of these reports isolated?</p> <p>21 A. I have no idea why I chose to kept</p> <p>22 those.</p> <p>23 Q. You just happened to keep 22 or 23 of</p> <p>24 these reports?</p>

REDACTED



REDACTED



REDACTED



REDACTED



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